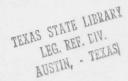
Truth about Texas



by

GOVERNOR ALLAN SHIVERS



A Speech Delivered by the GOVERNOR OF TEXAS via statewide Radio and T.V. March 1,1956

MY FELLOW TEXANS . . .

From the Governor's Office here in the capitol of Texas, I want to bring you a brief report on your State Government.

State Government has been in the news lately. You have been hearing of wrong-doing in high places. Some of the reports have been true—some exaggerated, and some deliberate misrepresentations or outright lies of political demagogues eager to convince you that there is "a mess in Austin"—that your State Government is all bad.

What are the facts? Let's look at the record. First—what about the Veterans' Land Program?

The program was launched following World War II to give Texas veterans a chance to buy farms, with the State lending them the money. It has helped 16,500 ex-servicemen.

Unfortunately not all of the people involved were honest men. There was a conspiracy between some promoters and a high state official who later pleaded guilty to bribery. You trusted that official with nine elective terms. I trusted him, too. He has confessed that our trust was misplaced, and he is now being punished—as any other guilty person should and will be punished.



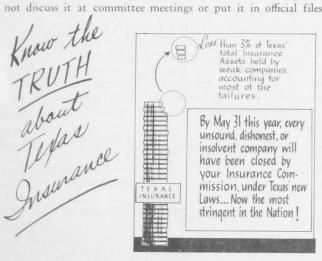
Study
these facts
about the
about the
Program
Program

If a single dollar was misappropriated or a single veteran cheated, that was too much. Nevertheless, the facts show that despite political charges to the contrary, the program has not been badly damaged. The State has bought some \$105,000,000 worth of land under this program.

Less than three per cent of this amount was involved in fraudulent deals. Over 16,500 Texas veterans have bought land under the program. Only forty-six of these veterans land deals were fraudulent, and the State has already recovered more than \$500,000 in those.

The faults of the Veterans Land Program have been quickly corrected. We intend to recover all the money involved in fraudulent deals, and I predict to you that, when this program is completed, the State will actually make a profit of more than \$25,000,000.

My political enemies say I should have known that bribery was going on, because the Governor is an ex-officio member of the Veterans Land Board, as he is of many other boards and commissions. They never tell you that State auditors checking Land Board records constantly found no evidence of wrong-doing. The fact is that people who practice bribery simply do not discuss it at committee meetings or put it in official files!



Now—what about insurance? The widely-publicized failures of a relatively few insurance companies in the recent past have been allowed to obscure the fact that Texas has one of the soundest, most reliable, most important insurance industries in the nation.

We are now going through the third period of insurance reform in Texas history. The first came in 1907 with the famous Robertson laws. The second came in 1935, when great abuses were revealed. Ever since 1935, efforts have been made to strengthen the insurance laws of Texas. The need for such action grew after World War II when general prosperity and the high reputation of the Texas insurance companies attracted promoters and schemers to the industry.

I am proud to say that during my administration, and under the leadership of your Insurance Commission, the Texas Legislature has adopted the strongest insurance laws existing in the United States.

We asked for, and the Legislature passed, these stringent laws because we knew that some insurance companies were weak or unsound or badly-managed. We wanted the authority to put them out of business. We wanted to keep any more Texans from being cheated or hurt by them.

The Insurance Commission has been criticized, and will continue to be criticized, because in every failure there are always some who say that the Commission acted too hastily, and others who claim it waited too long. The Commission is required to operate with proper respect for the democratic principle of "due process of law." It moves in on a company when—and only when—it has the legal evidence to prove in court that a company should be closed.

We are using the new laws to the fullest extent, and I can say to you that by May 31 of this year, the Insurance Commission will have cleaned out of the insurance industry every unsound, insolvent or dishonest company that can be closed by the present stringent laws.

In their efforts to hurt my administration, political demagogues have tried to create the impression that the whole Texas insurance industry is in danger of collapse. That is not only irresponsible and false propaganda, it is almost the opposite of the truth. More that 2,000 insurance companies have been operating in Texas. Total failures in the last *fifteen years* have been less than four per cent. Those failures have been mainly among the weak, promotional type of company, which had less than three per cent of total insurance assests, but over sixty per cent of the failures. The strong companies—those with over ninety-two per cent of the total assets—had less than five per cent of the failures.

I say to you that the Texas insurance industry is second in size and soundness and value only to the tremendous Texas oil and gas industry.

Any report on the rough spots of State Government ought, in equity, to mention some of the good things. I will not take the time to mention all the progressive programs sponsored by your State Government during the last ten years. Let's take only a few examples:

1946

42.000 - Schoolrooms
spent on all education

School Schoolrooms
\$39,000
Schoolrooms
\$300,000,000
Spent on all education.

School
Spent on all education.

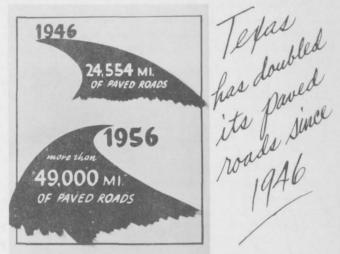
Our advances in the public education field have been almost phenomenal. In 1946, Texas had 42,000 classrooms. Today, we have 59,000.

Ten years ago the State was spending on public education \$84,000,000. This year we are spending \$300,000,000. That is an

increase of 350 per cent during that ten year period, in order that your children—our boys and girls—would have a better education.

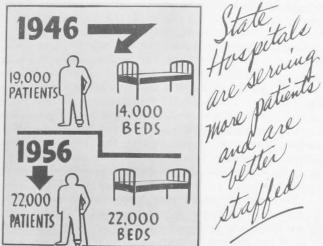
Or, consider our highway system. The State had constructed 24,500 miles of paved roads in 1946. Today, we have 49,000 miles.

In dollars, that means this: That in 1946 the State Highway Department spent \$38,000,000 on highway construction and maintenance. In 1956, it will spend \$192,000,000, which is almost as much as we spent on entire State Government for all services in 1946.



Another striking example of improvement is the State Hospital Program. Texas was at the bottom of the list a decade ago, when we had only 14,000 beds for our mentally ill and other unfortunate citizens. Thanks to the vast program we—you and I—launched in 1950, we now have 22,000 beds. We have more doctors, more nurses, better accommodations and better treatment.

Of course, these are not all the changes for the better during the last ten years. We have made great strides in other fields where progress must be measured in terms of human values



rather than in dollars and cents. All of this has been accomplished without the imposition of a state income tax or a general sales tax. Furthermore, during this ten-year period, the laboring man in Texas has increased his income by almost two-and-a-half times what he was receiving in 1946.

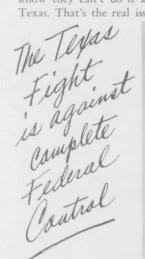
Increased State Services at Minimum Cost to Taypayars



As we move into the second year of my third term as Governor, I am tremendously grateful to all who have helped do these things—other elected officials, the Texas Legislature, the hundreds of men and women who have served on boards and commissions. We have written a record that will stand in history. It can be temporarily obscured, but never erased, by the smear artists, the jackals of political adventure or ambitious incompetents seeking personal gain.

Why would these people be so anxious to besmirch an administration that has done these things for the people of Texas? Well—some of them want the job themselves. One fellow in particular seems to be determined to set a new record for running in second place. But self-serving office-seekers are not the whole story, by any means.

The basic reason for these bitter attacks against Allan Shivers is really a simple one. Our opponents have lost every fight to date, but they are still active and vicious in their efforts to move our government from the courthouse and the statehouse to the White House—and put their own kind of candidate in office to run your business from Washington. They know they can't do it as long as Allan Shivers is Governor of Texas. That's the real issue.





Do you want a nationalized, federalized, centralized form of government? Or do you believe—as I believe—that government ought to be kept as close to home as possible?

If you believe in local self-government, this is the time to speak up. The principles for which you and I have fought throughout my twenty-two years in public office are in danger of becoming a paragraph in ancient history, instead of the vital, governing force that our forefathers intended.

I do not have to dwell upon the evidences of this trend. You know only too well what they are: Control of oil, gas and water by the Federal Government, the unsuccessful tidelands grab, the Supreme Court's segregation decision, the controls of federal aid to education—always another attack, another campaign, another propaganda barrage aimed at the basic element of our democracy: The privilege and right of self-government.

I have fought this trend with every means at my command. I will continue to do so. But my question today is: What do you want to do about it?

I have a suggestion as to how you can express your convictions. An unfamiliar word has come into the news lately—interposition. Actually the term interposition is as old as government itself.

Know the
TRUE
Meaning of
Meaning of
the term
"Interposition"

Interposition

Our right to petition against the exercise of unconstitutional power of the central government



To me it simply means our right to petition against the exercise of unconstitutional power by the central government. This year it can mean that the people of Texas exercise their right of interposition by demanding an amendment to the U. S. Constitution which will clarify and strengthen local authority, as laid out in the Tenth Amendment to the U. S. Constitution—the one which says that powers not delegated to the Federal Government nor prohibited to the states are reserved to the states individually or to the people.

I recommend to you—the voters of Texas—a four-point

program:

 That you inform yourselves on the need for interposition through the means of a Constitutional Amendment strengthening local government;

- That you express yourself for or against this principle of protecting local self-government through a Constitutional Amendment by supporting or opposing appropriate resolutions at your precinct, county and state Democratic conventions in May;
- That the State Democratic Executive Committee, if so instructed by a majority of the voters in these conventions, place the proposition of interposition by Constitutional Amendment on the primary election ballot, as provided by the law governing referendum;
- 4. And finally, if the voters of Texas express their approval of an amendment reinforcing their constitutional protection against unwarranted Federal encroachment, that the Texas Legislature pass a resolution next January proposing such a Constitutional Amendment to the U. S. Congress.

One thing should be clear: If we succeed in obtaining such an amendment, it will not mean segregation or integration, or federal control or freedom from control of gas, water or oil. It will be a general protection of local authority from Federal interference—and that is exactly what we intend it to be.

Do you agree that Texans should have a chance to express themselves for or against local control and local self-government? Please let me hear from you. I cannot stress too much my conviction that this is the real issue before us in 1956. It will be my pleasure and privilege to do what I can in behalf of the states. This is a battle I have waged without reservation or quarter as your Governor. I seek no higher honor than that of having served you, as best I could, in this office since 1949. It is my belief, and my decision, that I can best continue to serve you in this fight if I am not a candidate for any public office. My heart is filled with gratitude for your support—and with determination to keep on fighting with you, shoulder to shoulder, for our State, our nation and our democratic form of government.

God bless all of you-and thank you.

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3 things Texans can do to help preserve state government:

MAY 5, 1956

1. Attend PRECINCT CONVENTION

... support resolutions calling for referendum on question of Interposition.

MAY 8, 1956

2. at COUNTY CONVENTION ...

elect delegates to State Convention who stand for protection of local self-government.

3. Vote FOR

referendum instructing State
Legislature to petition Congress
for Amendment to U.S.
Constitution.